

Indiana House of Representatives

News and Information

*Media Office
Democratic Caucus
John Schorg, Director
Statehouse, Room 157
Indianapolis, Indiana 46204
1-800-382-9842 or 1-317-232-9621
Fax Number: 1-317-232-9792*

FOR IMMEDIATE RELEASE:

September 26, 2005

DVORAK: ROAD FUNDING PLAN WILL END UP HURTING HOOSIERS

INDIANAPOLIS – State Rep. Ryan Dvorak (D-South Bend) said today that Gov. Mitch Daniels will be causing more harm than good by endorsing a transportation improvement plan that emphasizes tax increases and the sale of public assets like the Indiana Toll Road.

The 10-year, \$10.7 billion plan revealed by the governor would generate funding for road projects through several methods, including leasing the toll road to private concerns, increasing the fees paid by people who travel on the toll road, and turning the proposed Interstate 69 extension from Indianapolis to Evansville into a privately-owned toll road.

"The roads and highways of Indiana belong to the taxpayers and citizens of our state," Dvorak said. "They are not the property of Mitch Daniels to sell off to the highest bidder."

The governor said his administration is preparing to set the wheels in motion on a plan that will raise charges for people who travel on the Indiana Toll Road. If enacted, these changes would nearly double the amount paid by a motorist who travels the entire 157-mile length of the toll road (\$4.65 to \$8) and more than double the amount paid by a commercial truck driver (\$14.55 to \$32).

"By drastically increasing the tolls, the governor will force more traffic to take alternate routes—dramatically increasing the wear and tear on local roads and streets," Dvorak said. "He also will be hurting businesses and economic growth by hiking up their operating costs when they are already being hit by huge fuel cost increases."

Dvorak said leasing the toll road will open up the likelihood that motorists will face even larger fees in the future.

"Once a private company takes control of a public asset, its primary concern will be in making a profit," Dvorak said. "It will have the freedom to charge whatever it wants, and make as much profit as it wants. Once again, the citizens are the ones who end up paying the price."

Since the Daniels Administration will require legislative approval to enact any plan to privatize public roadways like the toll road and the Interstate 69 extension, Dvorak said he looked forward to using that opportunity to explore other potential options for funding. One such option, he noted, was building the Interstate 69 extension along existing roads rather than through new terrain, a change that would save nearly \$1 billion in costs.

"We already have given this administration the ability to sell what are known as Garvee Bonds, which enable us to use federal gasoline tax proceeds to sell bonds for road projects," Dvorak said. "I notice the administration has ruled out that option at this time. I would enjoy hearing them explain why that is not a palatable proposal, while increasing taxes for the people of Indiana is preferable."

---30---

This news release can be accessed on the Internet at www.IN.gov/H08